

STAND. COM. REP. NO. **3032**

Honolulu, Hawaii

MAR 21 2014

RE: H.B. No. 2101
H.D. 1
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Madam:

Your Committees on Water and Land and Hawaiian Affairs, to which was referred H.B. No. 2101, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE KAHO'OLAWA ISLAND RESERVE,"

beg leave to report as follows:

The purpose and intent of this measure is to utilize a portion of state conveyance tax revenue up to a maximum dollar amount to replenish the Kaho'olawe rehabilitation trust fund to be used for the long-term rehabilitation and maintenance of the island reserve.

Your Committees received testimony in support of this measure from the County of Maui Department of Planning, Kaho'olawe Island Reserve Commission, Office of Hawaiian Affairs, and one individual. Your Committees received comments on this measure from the Department of Land and Natural Resources, Department of Budget and Finance, Land Use Research Foundation of Hawaii, and Tax Foundation of Hawaii.

Your Committees find that when the State accepted the return of Kaho'olawe from the United States in 1994, it clearly accepted the responsibility to preserve and manage the island reserve. The terms of this acceptance were also stated in the federally mandated Kaho'olawe Island Conveyance Commission final report to Congress in 1993: "[I]n the short term, federal funds will



provide the bulk of the program support for specific soil conservation projects and related activities. In the longer term, however, state revenues will be needed to continue and enhance those activities initiated with federal funds." This funding responsibility, therefore, belongs to the State.

Your Committees believe that as the State's population increases, it becomes even more important to protect natural, cultural, and marine resources for the benefit of all of Hawaii's people. Conveyance tax revenue is, therefore, a logical method to fund resources protection.

Your Committees have amended this measure by:

- (1) Requiring the Executive Director of the Kaho'olawe Island Reserve Commission to be hired by and serve at the pleasure of the Chairperson of the Board of Land and Natural Resources after the Department of Land and Natural Resources holds a public hearing, conducted pursuant to Department rules, on the proposed hiring;
- (2) Clarifying that the monies transferred into the Kaho'olawe rehabilitation trust fund pursuant to this measure shall be used for the long-term rehabilitation and maintenance of the island reserve;
- (3) Specifying that ten percent of the conveyance tax revenues collected in each fiscal year shall be deposited into the Kaho'olawe rehabilitation trust fund, up to a maximum amount of \$3,500,000 per fiscal year;
- (4) Requiring the Kaho'olawe Island Reserve Commission to report annually to the Legislature on the amount of deposits made into and amount and details of expenditures made from the Kaho'olawe rehabilitation trust fund;
- (5) Changing the effective date to July 1, 2014, and inserting a sunset date of June 30, 2020, or recognition of the sovereign native Hawaiian entity, whichever is sooner; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



As affirmed by the records of votes of the members of your Committees on Water and Land and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2101, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2101, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Water and Land
and Hawaiian Affairs,



MAILE S.L. SHIMABUKURO, Chair



MALAMA SOLOMON, Chair



The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Water and Land
WTL

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 2101 HDI	WTL/HWN, WAM	3-19-14		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
SOLOMON, Malama (C)	✓			
GALUTERIA, Brickwood (VC)	✓			
DELA CRUZ, Donovan M.	✓			
IHARA, Jr., Les	✓			
RUDERMAN, Russell E.	✓			
SHIMABUKURO, Maile S.L.		✓		
TANIGUCHI, Brian				✓
THIELEN, Laura H.	✓			
SLOM, Sam		✓		
TOTAL	6	2	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted		<input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes

